

COMMITTEE REPORT

MADAM PRESIDENT:

The Senate Committee on Education and Career Development, to which was referred Senate Bill No. 323, has had the same under consideration and begs leave to report the same back to the Senate with the recommendation that said bill be AMENDED as follows:

- 1 Page 1, delete lines 1 through 17.
- 2 Page 2, delete lines 1 through 25.
- 3 Page 3, line 20, after "trusts." insert "**The following apply to this**
- 4 **subdivision:**
- 5 **(A) School corporations that elect to pool assets for**
- 6 **coverage must create a trust for the assets. The trust is**
- 7 **subject to regulation by the department of insurance as**
- 8 **follows:**
- 9 **(i) The trust must register with the department of**
- 10 **insurance.**
- 11 **(ii) The trust shall obtain stop-loss insurance issued by an**
- 12 **insurer authorized to do business with an aggregate**
- 13 **retention of not more than one hundred twenty-five**
- 14 **percent (125%) of the amount of expected claims for the**
- 15 **following year.**
- 16 **(iii) Contributions by the school corporations must be set**
- 17 **to fund one hundred percent (100%) of the aggregate**
- 18 **retention plus all other costs of the trust.**
- 19 **(iv) The trust shall maintain a fidelity bond in an amount**
- 20 **approved by the department of insurance, covering each**
- 21 **person responsible for the trust, to protect against acts of**

- 1 fraud or dishonesty in servicing the trust.
- 2 (v) The trust is subject to IC 27-4-1-4.5 regarding claims
- 3 settlement practices.
- 4 (vi) The trust shall file an annual financial statement in
- 5 the form required by IC 27-1-3-13 by March 1.
- 6 (vii) The trust is not covered by the Indiana insurance
- 7 guaranty fund created under IC 27-6-8. The liability of
- 8 each school corporation is joint and several.
- 9 (viii) The trust is subject to examination by the
- 10 department of insurance. All costs associated with an
- 11 examination shall be borne by the trust.
- 12 (ix) The department of insurance may deny, suspend, or
- 13 revoke the registration of a trust if the commissioner
- 14 finds that the trust is in a hazardous financial condition,
- 15 the trust refuses to be examined or produce records for
- 16 examination, or the trust has failed to pay a final
- 17 judgment rendered against the trust by a court within
- 18 thirty (30) days.
- 19 (B) The department of insurance may adopt rules under
- 20 IC 4-22-2 to implement this subdivision.
- 21 (2) Each school corporation, and more than one (1) school
- 22 corporation acting jointly, may be considered a single
- 23 purchaser of natural gas energy by the school corporation's or
- 24 school corporations' natural gas utility provider to qualify to
- 25 purchase natural gas from any available natural gas seller. A
- 26 rate schedule that is:
- 27 (A) filed by a natural gas utility; and
- 28 (B) approved by the Indiana utility regulatory commission;
- 29 must include provisions that allow a school corporation or
- 30 school corporations acting jointly to elect to be billed as a
- 31 single purchaser of natural gas energy under reasonable terms
- 32 and conditions."
- 33 Page 3, line 21, delete "(2)" and insert "(3)".
- 34 Page 3, delete lines 26 through 28.
- 35 Page 3, line 29, delete "(D)" and insert "(C)".
- 36 Page 3, line 30, delete "(E)" and insert "(D)".
- 37 Page 3, line 30, delete "maintenance" and insert "management".
- 38 Page 3, line 31, delete "(F)" and insert "(E)".

- 1 Page 3, line 32, delete "(G)" and insert "**(F)**".
- 2 Page 3, line 34, delete "(H)" and insert "**(G)**".
- 3 Page 4, line 1, delete "facilities maintenance," and insert
- 4 "**facilities,**".
- 5 Page 4, line 14, delete "clusters of".
- 6 Page 4, line 22, delete "An" and insert "**School corporations and**".
- 7 Page 4, line 22, delete "center" and insert "**centers**".
- 8 Page 4, line 24, delete "for school corporation actions".
- 9 Page 4, line 40, delete "periodically" and insert "**annually**".
- 10 Page 5, line 9, delete "budget," and insert "**budget and school**
- 11 **corporation officials,**".
- 12 Page 5, line 19, delete "clusters," and insert "**common**
- 13 **management,**".
- 14 Page 5, line 24, delete "budget and" and insert "**budget,**".
- 15 Page 5, line 24, after "department," insert "**and school corporation**
- 16 **officials,**".
- 17 Page 5, line 29, delete "instructional activities expenditures,
- 18 specifying all" and insert "**academic achievement expenditures.**".
- 19 Page 5, delete lines 30 through 32.
- 20 Page 5, line 33, delete "expenditures, including all" and insert
- 21 "**expenditures.**".
- 22 Page 5, delete lines 34 through 35.
- 23 Page 5, line 36, delete "Operational expenditures, including all sums
- 24 spent on or" and insert "**Overhead and operational expenditures.**".
- 25 Page 5, delete line 37.
- 26 Page 5, line 38, delete "expenditures, including all sums spent on"
- 27 and insert "**expenditures.**".
- 28 Page 5, delete lines 39 through 40.
- 29 Page 6, line 7, delete "November 1," and insert "**December 31,**".
- 30 Page 6, line 22, after "recognize" insert "**publicly**".
- 31 Page 6, line 26, after "budget" insert "**and the division of finance**
- 32 **of the department**".
- 33 Page 6, line 26, after "shall" insert "**be available to**".
- 34 Page 6, line 31, after "public" insert "**in the school corporation's**
- 35 **annual performance report**".
- 36 Page 8, line 13, delete "system;" and insert "**system, including a**
- 37 **plan for the department to work with the officials in each school**
- 38 **corporation who are responsible for the management of the school**

1 **corporation's finance, organizations, and other resources to create**
 2 **programs and curricula to develop the officials' financial**
 3 **management skills and abilities as well as train them in the use of**
 4 **the system;"**.

5 Page 8, delete lines 21 through 25.

6 Page 8, line 26, delete "(g)" and insert "**(f)**".

7 Renumber all SECTIONS consecutively.
 (Reference is to SB 323 as introduced.)

and when so amended that said bill do pass.

Committee Vote: Yeas 6, Nays 0.

Lubbers

Chairperson